

AMENDMENT TO
LEASE

Effective this 1st day of March, 1976, that LEASE executed as of March 24, 1969, by and between JOHN V. FARRELL, DOROTHY E. FARRELL, FRANK LENCI and RUTH LENCI ("Lessor") and KAISER GYPSUM COMPANY, INC. ("Lessee") is hereby amended by mutual agreement of the parties as follows:

1. Wherever the name of Dorothy E. Farrell appears as Lessor, there shall be substituted the name of LeeAnn Farrell. Lessor warrants that LeeAnn Farrell is the lawful successor to the interest of Dorothy E. Farrell, and agrees to hold Lessee harmless from any claims of said Dorothy E. Farrell arising out of this substitution.
2. Section A-2 of the Lease is amended by changing the last sentence thereof to read as follows:

"All of the terms and conditions of this Lease shall remain in full force and effect in each and every particular during the extended term hereof, except as otherwise specifically provided hereinbelow."
3. In lieu of the payments specified in Section A-4 of the Lease for rent, Section A-5 for real property taxes, Section A-8 for utilities not separately metered (namely, water service), and Section C-4 for fire and physical damage insurance, Lessee shall pay to Lessor the sum of Two thousand Eight Hundred and 00/100 Dollars (\$2,800.00) per month each month in advance for the remainder of the Lease term. If, during the remainder of the Lease term the taxes formerly charged to Lessee under Section A-5, or the insurance costs formerly charged to Lessee under Section C-4 are increased, Lessee shall

pay to Lessor, in addition to the amount of Two Thousand Eight Hundred and 00/100 Dollars (\$2,800.00) per month specified hereinabove, an additional amount equal to the amount of such increase after the effective date of this Amendment which is attributable to the Leased Premises under the formulas provided in Section A-5 for taxes and in Section C-4 for insurance, respectively. The provisions of this paragraph regarding the payments to be made by Lessee shall be effective only during the remainder of the original Lease term; that is, until April 30, 1979, and shall not be effective if the renewal option contained in Section A-2, as modified herein, is exercised. If such renewal option is exercised, the provisions of Sections A-4, A-5, A-8 and C-4, as written prior to this Amendment, shall be restored to full

force and effect for such extended term,

However, monthly lump sum rental shall also include pro-rata share of taxes, insurance, and water consumption.

4. Section A-7 of the Lease is hereby deleted in its entirety.

5. Section C-3 of the Lease is hereby amended to read as follows:

"Section C-3. If at any time during the original term of this Lease, that is, until April 30, 1979, but not during any extension of that term pursuant to the renewal option contained in Section A-2, Lessor shall receive a bona fide offer to purchase the real property described in Exhibit A, or part thereof, from an interested third party, Lessor shall afford Lessee an opportunity thereafter to meet the best bona fide written offer received by Lessor from such third party or parties to purchase said property or part thereof. Lessee shall be given fifteen (15) days from the date of Lessor's submission to Lessee of such written offer to elect whether or not it desires to purchase said property or part thereof

at the price and upon the terms and conditions contained in such offer. The title of any purchaser of the real property containing the Leased Premises shall in any event be subject to this Lease."

J.V.F.

Pro Line Products, Inc.

6. Lessor hereby consents to the subletting by Lessee of the Leased Premises to ~~Drywall Supply, Inc.~~ (hereinafter called "Sublessee"), on the condition that such sublease shall require Sublessee to perform and observe all of the obligations and covenants of the Lessee under the Lease as herein amended. Lessor further agrees that if Sublessee has faithfully performed and observed all such obligations and covenants, Lessor shall allow Sublessee to exercise the option to extend the term of the Lease contained in Section A-2 on Sublessee's own behalf, and Lessee shall have no further obligations to Lessor arising out of any such extension of the Lease term.
7. The Amendment of this Lease is subject to the sale of operating equipment installed within the premises of Lessor's property to an independent third party. Except as expressly amended herein and hereby, the Lease shall remain in full force and effect in each and every particular.

IN WITNESS WHEREOF, the parties have caused this Amendment of Lease to be executed as of the date first above written.

LESSEE:

KAISER GYPSUM COMPANY, INC.

By

J. P. Kowe, Vice President - Marketing

By

[Signature]

LESSOR:

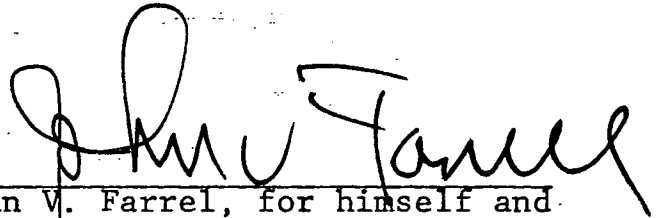
[Signature]
John V. Farrell

[Signature]
LeeAnn Farrell

[Signature]
Frank Lenci

[Signature]
Ruth Lenci

Reference is made to Lease dated March 24, 1969 as amended by Amendment to Lease dated March 1, 1976 wherein John V. Farrell, LeeAnn Farrell, Frank Lenci and Ruth Lenci are the present Lessors and Kaiser Gypsum Company, Inc. is Lessee. The undersigned hereby confirm that the Lease dated March 24, 1969 as amended by Amendment to Lease dated March 1, 1976 remain in full force and effect in each and every particular and that this page, including the subjoined acknowledgement, is to be attached to and be part of said Lease and Amendment to Lease.

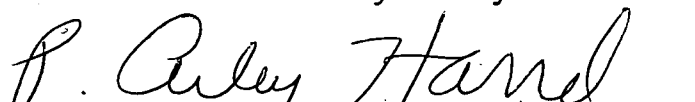


John V. Farrel, for himself and
as Attorney in fact for LeeAnn
Farrell, Frank Lenci and Ruth
Lenci, Lessors.

STATE OF WASHINGTON)
COUNTY OF KING) ss.

I, the undersigned, a notary public in and for the State of Washington, hereby certify that on this 1ST day of ~~February~~ ^{March}, 1976, personally appeared before me John V. Farrell, to me known to be the individual described in and who executed the foregoing instrument for himself and as attorney in fact for LeeAnn Farrell, Frank Lenci and Ruth Lenci, and acknowledged that he signed and sealed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year first above written.



NOTARY PUBLIC in and for the State
of Washington